



Corona Municipal Code - Purchasing Updates

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The Ask...

That the City Council discuss the Corona Municipal Code proposed updates and authorization changes related to purchasing

Purchasing Process Issues

Problems



Process takes too long (more than a year in some rare cases)



Process is too complex



Reporting and documentation issues



Communication and information gaps



Outdated Municipal Code

Solutions

- Make the process quicker, more efficient & simpler
- Enhance reporting, documentation, and communication
- Exercise balance between control and efficiency
- **Analyze best practices and update the Municipal Code appropriately**



Municipal Code - Language Cleanup/Updates

- ✓ Clarified the current language to eliminate confusion and increase efficiency
- ✓ Simplified language/sections where possible
- ✓ Utilized best practices
- ✓ Eliminated outdated language





Authorization Limits

Authority granted by the City Council to certain levels of staff to approve agreements or purchases up to a certain dollar amount.

Why Update Limits?

- ✓ **Aligns with the City's Strategic Plan – Goal #2 – Strong Economy**
 - Review and update the City's purchasing process
- ✓ **Helps keep up with inflation**
 - Current authorization levels set in 2018
 - CPI has increased 26.9% from July 2018 to March 2025
 - Projects are much more expensive today than 2018
- ✓ **Aligns authorization thresholds at the same levels set by the California Uniform Public Construction Cost Accounting Act (CUPCAA)/State Law, which was recently increased in Jan. 2025**
- ✓ **Makes the process move faster**
 - On average, the process is completed 3-4 weeks earlier if the agreement can be approved at staff level



Authorization Limits

Public Projects (Construction Contracts) & Goods/Materials/Supplies

Position	Current Limits	Recommended Limits - Aligns with State Law
Department Directors	\$60,000	\$75,000
Public Works Director, Utilities Director, Assistant City Manager	\$75,000	Removed - Included above
City Manager	\$100,000	\$220,000

Public Project Examples – Building construction, bridge construction, waterline replacement, and pavement rehabilitation

Goods, Materials, and Supplies Examples – Fuel, office supplies, computer equipment, software, pipeline materials, vehicle parts, and irrigation parts



Authorization Limits

Non-Public Projects (Services)

Position	Current Limits	Option #1 Proposed Limits	Option #2 Proposed Limits	Option #3 Proposed Limits	Option #4 Proposed Limits *
Department Directors	\$60,000	\$75,000	\$75,000	\$75,000	\$75,000
Public Works Director, Utilities Director, Assistant City Manager	\$75,000	Removed – included above	Removed - Included above	Removed - Included above	Removed - Included above
City Manager	\$100,000	\$150,000	\$175,000	\$200,000	\$220,000

* Same limits as state law

Non-Public Project Examples – Landscape maintenance, professional services, janitorial services, pest control, and resurfacing of streets/highways less than one inch



Authorization Limits

Non-Public Projects (Services)

Recommended

Position	Current Limits	Option #1 Proposed Limits	Option #2 Proposed Limits	Option #3 Proposed Limits	Option #4 Proposed Limits *
Department Directors	\$60,000	\$75,000	\$75,000	\$75,000	\$75,000
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Purchasing Items Approved by City Council

May 2024 – April 2025

Goods, Materials, and Supplies	
Up to \$100,000	3
\$100,001-\$220,000	8
> \$220,001	8
Total	19

Public Projects (Construction Contracts)	
Up to \$100,000	1
\$100,001-\$220,000	0
> \$220,001	16
Total	17

Non-Public Projects (Professional, Maintenance, and General Services)	
Up to \$100,000	26
\$100,001-\$150,000	19
\$150,001-\$175,000	9
\$175,001-\$200,000	12
\$200,001-\$220,000	1
> \$220,001	157
Total	224

Over past year, at the recommended levels, Council would still approve:

- Goods, Materials, and Supplies – 42%
- Public Projects – 94%
- Non-Public Projects – 70%

- Items with budgetary adjustments



Municipal Code – Other Updates

- ✓ Various clean-up language
- ✓ Defines non-public project and clarifies other sections
- ✓ Updates total change order to be equal to the lesser of \$220,000 or 10%
- ✓ Updates purchase limit under emergency situations to \$500,000
- ✓ Clarifies that certain administrative rules (process) will be included in the Purchasing Policies and Procedures Manual



Next Steps

**Ordinance Second Reading
June 4, 2025**

**Effective Date
July 4, 2025**



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Questions?



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